From the INTERNATIONAL SEARCHING AU	THORITY				
To: TOM M. MORAN COOLEY GODWARD LLP 3000 EL CAMINO REAL		PCT WRITTEN OPINION OF THE			
FIVE PALO ALTO SQUARE PALO ALTO. CA 94306-2155		INTERNATIONAL SEARCHING AUTHORITY			
		(PCT Rule 43bis.1)			
		Date of mailing (day/month/year) 26 JUI 2005			
Applicant's or agent's file reference CELA001/01WO		FOR FURTHER ACTION See paragraph 2 below			
International application No.	International filing date	'day/month/year) Priority date (day/month/year)			
PCT/US04/43830	30 December 2004 (30.1				
International Patent Classification (IPC	.) or both national classificat	ion and IPC			
IPC(7): C12N 15/63; 15/85 and US CI Applicant	: 435/320.1, 325				
KALOBIOS, INC.					
1. This opinion contains indications relating to the following items:					
Box No. 1 Basis of the opinion					
Box No. II Priority	Priority				
Box No. III Non-esta	Non-establishment of opinion with regard to novelty, inventive step and industrial applicability				
Box No. IV Lack of a	Lack of unity of invention				
	Reasoned statement under Rule 43bis.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement				
Box No. VI Certain d	Certain documents cited				
Box No. VII Certain d	Certain defects in the international application				
Box No. VIII Certain observations on the international application					
2. FURTHER ACTION					
If a demand for international preliminary examination is made, this opinion will be considered to be a written opinion of the International Preliminary Examining Authority ("IPEA") except that this does not apply where the applicant chooses an Authority other than this one to be the IPEA and the chosen IPEA has notified the International Bureau under Rule 66.1bis(b) that written opinions of this International Searching Authority will not be so considered.					
If this opinion is, as provided above, considered to be a written opinion of the IPEA, the applicant is invited to submit to the IPEA a written reply together, where appropriate, with amendments, before the expiration of 3 months from the date of mailing of Form PCT/ISA/220 or before the expiration of 22 months from the priority date, whichever expires later.  For further options, see Form PCT/ISA/220.					
3. For further details, see notes to Form PCT/ISA/220.					
Name and mailing address of the ISA/ US Authorized officer					
Mail Stop PCT, Attn: ISA/US Commissioner for Patents		Celine Qian, Ph.D. Who factor			

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Form PCT/ISA/237 (cover sheet) (January 2004)

## INTERNATIONAL SEARCHING AUTHORITY

PCT/US04/43830

Box No. 1 Basis of this opinion					
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1. With regard to the language, this opinion has been established on the basis of the international application in the language in which it was filed, unless otherwise indicated under this item.					
This opinion has been established on the basis of a translation from the original language into the following language, which is the language of a translation furnished for the purposes of international search (under Rules 12.3 and 23.1(b)).					
2. With regard to any nucleotide and/or amino acid sequence disclosed in the international application and necessary to the claimed invention, this opinion has been established on the basis of:					
a. type of material					
a sequence listing					
table(s) related to the sequence listing					
b. format of material					
in written format					
in computer readable form					
c. time of filing/furnishing					
contained in international application as filed.					
filed together with the international application in computer readable form.					
furnished subsequently to this Authority for the purposes of search.					
In addition, in the case that more than one version or copy of a sequence listing and/or table relating thereto has been filed or furnished, the required statements that the information in the subsequent or additional copies is identical to that in the application as filed or does not go beyond the application as filed, as appropriate, were furnished.					
4. Additional comments:					

## INTERNATIONAL SEARCHING AUTHORITY

Box No. V Reasoned statement under Rule 43 bis.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement						
1. Statement						
Novelty (N)	Claims	1-47	YES			
	Claims	NONE	NO			
Inventive step (IS)	Claims	1-47	YES			
verilities step (18)		1-47 NONE	· <del></del>			
Industrial applicability (IA)	Claims Claims	1-47 NONE				
	Ciannis	NONE				
2. Citations and explanations:						
Claims 1-47 meet the criteria set out in PCT Article 33(2)-(3), because the prior art does not teach or fairly suggest the claimed vector, host cell comprising said vector and the claimed methods.						
Claims 1-47 meet the criteria set out in PCT Article 33(4), and thus have industrial applicability because the subject matter claimed can be made or used in industry.						
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